

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION

869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097 GLENN M. OKIMOTO DIRECTOR

Daputy Directors JADE T. BUTAY FORD N. FUCHIGAMI RANDY GRUNE JADINE URASAKI

IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

CONSENT TO SUBLEASE OF STATE LEASE NO. DOT-A-90-0026 GATE GOURMET, INC. TO DUTY FREE WORLD, INC. HONOLULU INTERNATIONAL AIRPORT

OAHU

LEGAL REFERENCE:

Subsection 171-36 (a) (6), Hawaii Revised Statutes.

LESSEE:

Gate Gourmet, Inc., a Delaware Corporation

SUBLESSEE:

Duty Free World, Inc., a Florida Corporation

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1st Division, 1-1-72: 56

LEASE AREA:

Area/Space No. 009-191, containing a land area of approximately 149,859 square feet, as shown and delineated on the attached map labeled Exhibit A.

LEASE TERM:

Thirty (30) years and six (6) months; Lease commenced on September 1, 1990 through February 28, 2021.

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SUBLEASE AREA:

Storage Room containing approximately 340 square feet.

SUBLEASE TERM:

Three (3) years.

SUBLEASE RENT:

\$800.00 per month

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

In accordance with the Comprehensive Exemption List approved by the Environmental Council and dated May 22, 2001, the subject request qualifies under Exemption Class 1, "Operations, repairs, and maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

ZONING:

State Land Use District:

Urban

City and County of Honolulu:

I-2 (Industrial)

LAND TITLE STATUS:

Section 5(e) Public Law 88-223 (ceded lands) of the Hawaii Admission Act DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ___ NO X

CHARACTER OF USE:

In-flight Kitchen – Sublessee intends to rent a customs authorized storage room to store international travel merchandise and duty free carts.

REMARKS:

By way of a Consent to Assignment of Lease dated May 12, 2010, the Department of Transportation, Airports Division (DOTA) and Gate Gourmet, Inc. entered into Special Facilities Lease No. DOT-A-90-0026 dated December 1, 1990, to operate an in-flight kitchen. Gate Gourmet, Inc. is requesting to sublease a portion of the premises to Duty

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Free World, Inc. for a term of three (3) years at \$800.00 per month. DOTA has reviewed the sublease and sublease rent and has determined that the sublessee's obligation is reasonable with no excess sublease profit to be gained by the lessee/sublessor.

RECOMMENDATION:

That the Board authorize DOTA to approve the Consent to Sublease between Gate Gourmet, Inc., as Sublessor and Duty Free World, Inc., as Sublessee, as hereinabove outlined, subject to: (1) terms and conditions hereinabove outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the Consent to Sublease form and content.

Respectfully submitted,

GLENN M. OKIMOTO, Ph.D. Director of Transportation

APPROVED FOR SUBMITTAL:

Chairperson and Member

